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ABSTRACT

THE ORGANIZATION, PURPOSE, AND GOALS OF THE CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO ARE CONSIDERED AS FOLLOWS--(1) BACKGROUND INFORMATION REGARDING THE DEVELOPMENT OF THE CPC AND ITS COMMITTEES, (2) FORMAL ORGANIZATION OF THE BOARD OF DIRECTORS OF CPC, (3) CONTINUATION OF STUDY GROUPS TO FORMALIZE VARIOUS RECOMMENDATIONS, (4) PRESENTATION OF FINDINGS OF EACH CPC ORGANIZATION, (5) PUBLICATION OF THE CPC GUIDELINE, (6) GENERAL INDUSTRY BRIEFING, (7) SIGNIFICANT VOLUNTARY NAPPA CONTRIBUTIONS TO THE CPC EFFORT, AND (8) HANDLING OF APPARENT VIOLATIONS AND CORRECTIONS TO THE CPC GUIDELINE. THE FUTURE OF THE CPC IS DISCUSSED AS ARE RECOMMENDATIONS TO OTHER AREAS CONSIDERING A CPC ORGANIZATION. (FS)

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"THE CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO, INC. ITS PURPOSE AND GOALS"

by

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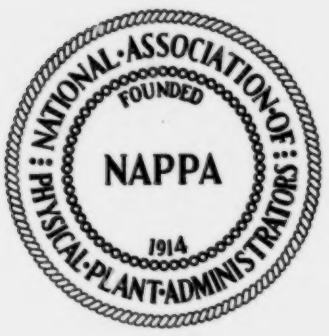

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THE NATIONAL ASSOCIATION OF PHYSICAL PLANT ADMINISTRATORS OF UNIVERSITIES AND COLLEGES

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PURPOSE OF

CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO, INC.*

The objects of this Corporation shall be: (a) to provide an organization through which may be directed the cooperative and voluntary efforts of those engaged in or otherwise concerned with the construction industry; (b)to advance the common legitimate business and professional interests of those engaged in the construction industry; (c) to promote by cooperative and voluntary effort and means better business conditions and methods and higher business and professional standards and ethics; (d) to make membership in the Corporation reasonable assurance to the public of the skill, integrity, and responsibility of the members; (e) to promote cordial and harmonious relationships between the several interests involved in and served by the construction industry;(f) and to do all of the foregoing to the best interests of both the construction public or the owners and those engaged in the construction industry.

* ARTICLE I , Section 2. of the By-Laws of The Construction Practices Council of New Mexico, Inc. (For complete By-Laws see Appendix B)

PREFACE

Life is truly interesting. The writer has been a member of NAPPA for almost seventeen years. During that time he has had many assignments with NAPPA -- all of them very rewarding. Several assignments have involved the presentation of a number of papers, both to Workshops directly related to NAPPA and to other meetings of college organizations indirectly related to Physical Plant. But, in all these endeavors I have never before had the privilege of formally presenting a paper to a national meeting of NAPPA.

Then, last September, Dick Kendrick asked me if I would give this paper to the '68 NAPPA Meeting. I was most pleased to agree to do so, for three reasons:

1. It covers a subject most vital to the NAPPA membership.
2. It covers a unique endeavor that has occupied significant time of a good number of individuals in New Mexico for some three and a half years.
3. I had never before had the responsibility and challenge of trying to describe in one hour the significant facets of this unusual association consisting of a variety of groups joined together in a most complicated business operation.

But, for a few weeks last winter, because of a little bout with my ticker, it looked like I might not be able to handle the assignment, after all. However, through the grace of the Master Architect, I am most happy to give this particular paper to you today on a subject that is close to my heart, and one that I hope some of you may move in closer to, yourselves, after you hear my presentation.

PHASE I

BACKGROUND OF PROJECT

1) Preliminary Overtures:

In order to put this presentation in proper context it is necessary for me to recount some of my personal experiences that got me into the endeavor to begin with. It is my hope that the reader will understand and forgive me for this transgression.

For a number of years, until UNI appointed a University Staff Architect, the Physical Plant Department coordinated the many aspects of the construction phases of new buildings, and was intimately involved in the review of plans and specifications before they went out for bid. As a result of this work, the writer and members of his staff became closely acquainted with contractors, sub-contractors, suppliers, and their key personnel. During this period, perhaps because the writer likes people and tries to listen to suggestions for better ways of doing things, he was privy to many confidential complaints and questions about procedures of preparing plans and specifications, the quality of plans and specifications, and, most important, the bidding climate on major construction.

It worried me to hear these comments because I knew there must be at least some corrective measures that could be taken, but it seemed like an almost impossible job because it involved so many people and organizations in the realm of human behavior during a period where good old American ingenuity and competition is keyed to the highest possible pitch in order to get the contract. Thus, other than making mental notes and making such corrections and suggestions that could be made on a relatively minor scale, I just rolled with the punch and did not make any overt attempt to get into the complicated problems that were obviously involved in the undertaking.

Then, on January 1, 1963, we acquired a very excellent University Staff Architect, Mr. Van Dorn Hooker, who was installed separately from the Physical Plant Department (as I believe he should be), and because of the individual chosen, full cooperation was enabled between this new office and the problems and desires of the Physical Plant Department concerning

new construction. This did not preclude, however, private conversations with various individuals representing the construction industry -- particularly at the sub-contractor and supplier level, who continued to voluntarily inform me of alleged or apparent inequities on UNM construction projects.

In the fall of 1965, it was my pleasure to work intimately with Mr. Charles H. Lembke who could be best described as the "Dean" of the AGC in New Mexico, and who also had branch offices in Colorado Springs and Las Vegas, Nevada. The purpose of this contact was to do a story on Mr. Lembke for the NEW MEXICO PROFESSIONAL ENGINEER and incorporate with this story a complete issue of construction then under way at UNM. Those of you who were members of NAPPA at that time got a copy of this issue. Suffice it to say it took several huddles with Mr. Lembke to get his story, mostly because we got off the track several times for he's a great "little guy", and, I admit, one of the writer's favorite mentors.

On one of the conversations that wandered afield, we got to discussing the bids on a major building that had just recently been opened. In this instance, the next to the low bidder (and a respected contractor in New Mexico), had failed to comply, as directed in the bid form, to name certain his principal sub-contractors. I mentioned to Mr. Lembke that, had this contractor been, in effect, the low bidder, I would have suggested that his bid be disregarded for the reason that his bid was non-responsive as directed in the bid document. Well, Mr. Lembke immediately proceeded to give me quite a little lecture. He reminded me that this contractor did not have the organization that the Lembke Construction Company had; that in the 24 hours preceding the bid time it was necessary to pull together a bid under the most hectic conditions you could imagine; that this contractor did not have the manpower to analyze the bids that he had received from his sub-contractors; and, therefore, it would have been unfair for me to have arbitrarily recommended that he be ruled out. However, Mr. Lembke did say that there was obviously a lot of things that could be improved about this whole situation, and it should be done by someone who was unbiased. He added that he couldn't think of anybody

better than the writer and the University of New Mexico to lead off in such an endeavor.

Well, I went ahead and got out the NMSPE issue, but I kept thinking about what Mr. Lembke had said, and how this was the first time a person had made a specific statement which indicated that I and the organization I worked for should become involved directly to attempt to help bring together some of the principals who might bring some order to the chaotic conditions that prevailed. Thus, I was sort of propelled into the next step for which I received full administrative approval from UNM.

PHASE II

2) Steering Committee

It seemed appropriate to get each of the major parties relating to a contract to sit down and discuss what might be done. This ended up with 7 key organizations to a contract -- naming a representative to what we then called a Steering Committee. This Committee met several times, and came up with the idea of a general discussion between the entire industry, which we decided to call Symposium I.

Symposium I occurred on November 3, 1965. It started, I think, at 9:30 a.m., with a Coffee and provided for a panel representing all facets of the construction industry, including a legal representative. The Symposium itself was of two hours duration and was concluded by a Group Luncheon in the New Mexico Union Ballroom.

I won't take time here to list the members of Symposium I except to say that Mr. Robert H. Houston, Vice President and Director of Physical Plant at the University of Arizona, was kind enough to come over and fill in as the Owners' Representative. This seemed apropos in that many of the complaints and questions were obviously going to be directed toward the Owner, and it seemed that having a person outside the so-called New Mexico area would make for a freer expression of constructive criticism. We had a court reporter take a transcribed report of the proceedings,

and when these were reviewed, it was obvious that there were six major topics that were "bugging" the industry and were worthy of further detailed consideration. These six topics were:

1) Pre-Qualification of Contractor; 2) Hold-Harmless Clause; 3) Better Plans, Specifications, and Bid Documents; 4) New Mexico Bid Plan; 5) "Bid Depository"; and 6) Bid Shopping.

This set the stage for a more complete study of each problem, and for Symposium II which occurred on March 9, 1966. At this Symposium 72 members of the construction industry devoted a full day to addressing themselves to the six topics. This was arranged, as follows: Six committees were assigned to each subject for an entire morning session in which all deliberations were in private. To save time in organizing each committee, we arbitrarily chose the Chairman and Secretary, excluding the Owner Group and lawyer from these two assignments. Thus, each of the six groups (Contractor; Architect; Mechanical and Electrical Sub-Contractor; Consulting Engineer; Supplier; and Special Sub-Contractor) had a Chairman on one Committee and a Secretary on one Committee. These committees met for three hours in the morning, and the Chairmen and Secretaries then worked like the devil to summarize the findings -- and, I guess, missed the luncheon period because of this assignment.

After dinner, then, a Review Committee listened in succession to each Committee report and made any comments or statements they cared to, regarding the Study Committee's reports. At the conclusion of a discussion between the Review Committee members, which was handled publicly in front of any member of the industry who wished to attend, the questions were opened to the floor. It should be mentioned at this point that J. McCree Smith, of North Carolina State University, was the moderator of this Review Committee. He did not, however, represent the Owner. A list of the participants in this endeavor, as well as a list of all members of the Study Committee, is shown on the center spread of the CPC GUIDELINE which has been sent to all NAPPA members heretofore. An extra copy has been placed at your chair this morning. The pictures of the Study Committees are also shown in Appendix A.

Again, a court reporter was employed to make a complete transcription of all the afternoon proceedings of Symposium II.

3) Formal Organization of the Board of Directors of CPC

The Steering Committee met immediately following Symposium II to review what had transpired, and it was obvious that a more formal organization should be set up to direct significant undertakings that had been commenced or started by Symposiums I and II. This led to BY-LAWS (See Appendix B), and the appointment of legal counsel, Mr. Robert C. Poole, who helped us prepare all documents to become formally incorporated (See Certificate of Incorporation, Appendix C). This also led to a change in the name of the Steering Committee, to the Board of Directors of the Construction Practices Council of New Mexico, Incorporated.

With the plan to organize a Board of Directors, it simultaneously became necessary to formally organize an Owners Group. We wanted one that was truly representative of all types of owners. As you know, some owners only build a one-million-dollar building in a lifetime, whereas some owners are continuously building multi-million-dollar buildings. May I mention that colleges and universities are certainly members of the latter group. See Appendix D for the 17-billion-dollar program underway for the current period 1965-70 (figures secured from the Office of Education, Department of Health, Education, and Welfare).

I am pleased to point out to you that this is a truly representative Owners Group and that it includes four U. S. Governmental agencies that are listed as "Cooperating Agencies." Two of these agencies pay their dues to belong to CPC out of their own pockets. The reason for this is that most Government agencies out in the states are responsible to the main office in Washington, D. C., and, although they are encouraged to attend meetings and participate, they cannot commit the U. S. Government on any CPC action. The reason they belong is that it is felt they could come up with some good ideas out of CPC that could help the U. S. Governmental contracts, and, more important, their association with CPC makes for a good image of their organization in the construction industry

in the New Mexico area. It is of some interest that considerable correspondence took place between two of the Albuquerque agencies and their Washington, D. C. offices, to establish the rules of their association as "Cooperating Agencies."

It is also to be noted that the Owners Group enjoys the membership of a variety of organizations both public and private, and both large and small -- on purpose.

The organization of the first Owners Group is shown on page 12 of CPC GUIDELINE. The organization of the present Owners Group is shown on a following page. Also shown is a picture of the newly elected officers of the Owners Group as of April 17, 1968.

The organization of the first Board of Directors is shown on page 16 of CPC GUIDELINE. The organizations of the present Board of Directors is also shown on a following page together with a picture of the newly elected officers of the Board of Directors as of April 23, 1968.

4) <u>Continuation of Study Groups to Formalize Recommendations of Symposium II</u>

After the Board of Directors was fully organized, it was obvious that the first order of business was to re-convene the Study Groups of Symposium II on a weekly basis so that their final proposals could be firmed up on the six subjects discussed. This took all summer and the early fall of '66.

A review and consolidation of the final Study Group reports was then made by selected members of the Review Committee and submitted to the CPC Board of Directors who, with a lot of help from the Review Committee, hammered out CPC GUIDELINE.

In this GUIDELINE you will see that 8 statements were made and that 4 committees were set up (listed on pages 10 and 11 of the GUIDELINE). These committees consisted of a new committee on Owner-Architect relationships, and three continuing committees on Pre-Qualification of Contractors; Plans, Specifications, and Bid Documents; and a committee on the New

As of April, 1968, the members of the Owners Group are:

Albuquerque Public Schools, *A. L. Matthews, Representative*
Atomic Energy Commission, *A. G. Elsik, Representative*
Bataan Memorial Methodist Hospital, *H. M. Kelly, Representative*
Bureau of Indian Affairs, *Mr. Robert A. Dudley, Representative*
City of Albuquerque, *E. F. Hensch, Representative*
U.S. Corps of Engineers, *Col. J. H. Hottenroth, Representative*
Eastern New Mexico University, *Gerald Hawk, Representative*
Lovelace Foundation for Medical Education and Research, *R. V. Taborelli, Representative*
Mountain States Telephone, *R. D. Henderson, Representative*
New Mexico School for the Deaf, *John S. McKay, Representative*
New Mexico State University, *Fred A. Day, Representative*
Public Service Company of New Mexico, *E. L. Fogleman, Representative*
Sandia Corporation, *R. W. Hunnicutt, Representative*
Southern Union Gas Company, *Robert Anderson, Representative*
University of New Mexico, *M. F. Fifield, Representative*

New Officers of the Owners Group of the Construction Practices Council of New Mexico, Incorporated

Reading from left to right: R. V. Taborelli, Chairman, E. L. Fogleman, Vice Chairman, and R. W. Hunnicutt, Secretary-Treasurer.

NEW OFFICERS OF THE BOARD OF DIRECTORS OF THE CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO, INCORPORATED, AS OF APRIL 23, 1968

Reading from left to right: W. D. Ross, Secretary; Frank H. Bridgers, Chairman; and Lloyd Sallee, Treasurer. R. V. Taborelli, Vice-Chairman, was not present for the picture.

The Representatives of the Board of Directors, as of April, 1968, are:

Frank H. Bridgers	- *Representing the Consulting Engineer*
Ernest Pogue	- *Representing the Architect*
Jack Pope	- *Representing the Specialty Sub-Contractor*
W. D. Ross	- *Representing the Mechanical & Electrical Sub-Contractor*
Lloyd Sallee	- *Representing the Supplier*
G. W. Stuckman	- *Representing the General Contractor*
R. V. Taborelli	- *Representing the Owner*

Mexico Plan (sometimes referred to as "the Chicago Plan.")

5) Presentation of Findings of Each CPC Organization by the Board of Directors

Before going to the expense of printing the CPC GUIDELINE, the next step was to take the findings of the Board to each CPC member group. Thus, in the late fall of '66, meetings were set up with each group in which the CPC Board of Directors presented the gist of CPC GUIDELINE and asked for a formal endorsement or recommendation from the member groups. At this point, may the writer say that the variation in the reaction of the different member groups to CPC GUIDELINE was amazing. Some groups immediately endorsed the GUIDELINE by acclamation; some made very worthwhile suggestions and then endorsed the GUIDELINE with appropriate reservations; and some groups seemed reluctant to make an appropriate motion at all. This was an interesting indication of group psychology and human behavior by groups.

6) Publication of CPC GUIDELINE

In any event, after presentation of the proposed findings and the consideration of all recommendations or alterations by each member group, the Board of Directors authorized the publication of CPC GUIDELINE which was accomplished in January, 1967.

7) General Industry Briefing

The next step was a general industry briefing held on April 28, 1967, in which a concerted effort was made to brief, in one sitting, all interested parties concerning CPC GUIDELINE. A date was selected that would not appear to any group to conflict seriously with bidding or other work. At this point the writer would be remiss not to say he was very proud of the attendance of the Owners Group at this Briefing, including at least six key personnel from the University of New Mexico, headed by President Tom L. Popejoy.

8) Organization of Regular Publication of CPC REPORT

At the conclusion of the General Industry Briefing and the comments made therein, it was obvious that a regular report should be prepared which we chose to call "CPC REPORT". This would keep the construction industry conversant with action, changes, and news of general interest to the industry. Co-Editors W. D. Ross and R. V. Taborelli, appropriately represented the Contractor and the Owner in this joint and important satellite endeavor.

9) Significant Voluntary NAPPA Contributions to the CPC Effort:

Before leaving Phase II, the writer would be remiss not to mention two voluntary contributions by two of our distinguished NAPPA members when the full impact of CPC GUIDELINE had been perused by these highly motivated gentlemen:

1. In March, 1967, Sam F. Brewster, on his own initiative, had his Construction Engineer, Paul G. Rasmussen, prepare a 109-page Report entitled, "*BRIGHAM YOUNG UNIVERSITY'S FORMER AND PRESENT BIDDING AND CONTRACTUAL PROCEDURES AND HOW THEY RELATE TO "GUIDELINE" AS DEVELOPED BY THE CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO, INC.*"

Since copies of this excellent Report are not available, let me quote the final Section under the title, CONCLUSIONS AND RECOMMENDATIONS.

> "Basically Brigham Young University is in agreement with the aims and objectives of the CPC statement of recommendations. Brigham Young University has on its own done considerable work in the field in which CPC is working. Brigham Young University does recommend the following:
>
> A. The work begun by CPC should be continued, as this is a most fundamental and critical area in the industry.
>
> B. All contract documents be based upon equitable conditions for the Architect, Engineer, Owner, and Contractor, as any condition that is not equitable inherently forms a poor basis for a contractual relationship, creates ill feelings, and further, is difficult to administer. Eventually such conditions increase the cost of doing business.
>
> C. The use of bid depositories should be encouraged providing they are set up in such a way so they are legally sound and acceptable to the majority of the firms in a geographical area who might use them. The depositories must be convenient to use, both in location and for the time in which deposits may be made. Absolute integrity must be maintained. Procedures must be developed which will make it easy for all those using depository facilities to accomplish their purposes. If this is not done, the depositories will fail under the weight of their own procedures. Contractors are not likely to use systems or procedures that are cumbersome, time consuming, and expensive."

It should also be noted that on one of his frequent and welcome trips to Albuquerque, Sam was invited to present in person his ideas on CPC to the Board of Directors. Also, Floyd B. Williams, Jr., CPC alternate

to the Owners Group from the University of New Mexico, made a complete recapitulation of Sam's Report to the Owners Group.

2. After several months of intensive work and negotiation (including one trip to discuss his project with the CPC of New Mexico Owners Group), Richard A. Adams, of Oregon State University, prepared a formal application to the Department of Health, Education, and Welfare for a Research Grant that would endeavor to make a CPC Research Operation nation-wide. His 30-page application is as significant and thorough as Sam Brewster's Report. A Section entitled RESEARCH OBJECTIVES succinctly explains the proposed endeavor, and for this reason we quote this Section below, for the information of the reader:

> "The proposed research would conduct exhaustive, critical examinations, on a national scope, of documents and factors which are employed in the preparation of bids for the erection of college and university structures. Principal method of achieving this review would be through the method of numerous symposia conducted in the individual states. The intent of the project is to involve all segments of the industry, including architects, engineers, contractors, subcontractors, suppliers, owners, insurance and bonding agents, etc., in frank review of known weaknesses. It is proposed that each meeting would report its findings and recommendations for possible solutions or means of eliminating or ameliorating troubles and problems. It is proposed that the organization in each state should elect its own steering committee which would feed the selected topics to the discussion groups.
>
> It is known that similar problems face all those engaged in any phase of the construction industry. It is believed this simultaneous attack on the many problems would offer some solutions. It is anticipated that there will be a constant interchange of information (with the office at Oregon State University serving as headquarters) which will report the principal findings of each state group in each of the study areas. This interchange on specific topics should stimulate all members of the research team and tend to reduce the vast amount of material requiring review. It is expected that through the resources of manpower available through NAPPA that much assistance can be gained through the use of questionnaires to NAPPA members. The Computer Center at Oregon State University is well equipped to assist in programming and subsequent date processing of questionnaire material. It is expected a strong area of work involving the Computer Center will evolve around the numerous articles contained in general conditions and in special conditions and in comparative fee structures for architects/engineers. While there have been some doubts expressed over the value and use of questionnaires, NAPPA members have proven in the past that they will cooperate in this means of providing information.

It is believed this semi-public exposure of many of the problems and the industry-wide participation will be conducive to better understanding and may result in the formulation of more effective tools to keep costs at more reasonable levels."

Although this project failed to gain approval, it is Dick Adam's hope that some foundation or funding may still be developed to finance this research on a nation-wide basis.

In this connection, may I acknowledge that it was Dick Adams who helped me locate the chart shown in Appendix D. Several thoughts can be drawn from this chart:

1. If even a meager 1% saving could be effected on a 17-billion-dollar expenditure, this would amount to an impressive and whopping $170,000,000 chunk of dough.
   NOTE: The writer will verbally describe how he felt that an easy 1% was saved on a typical UNM job -- the University Arena -- through communication and cooperation of all parties to the contract.

2. Think of the increased construction in the 1970-to-1975 period, particularly when some people are estimating an addition of some 2,000 new colleges and universities, although this estimate admittedly includes junior colleges and community colleges where simple beginnings in perhaps very meager existing local facilities may not involve significant construction or rehabilitation expenditures during the 1970-75 period.

PHASE III

10) Handling of Apparent Violations and Corrections to CPC GUIDELINES

An interesting development has occurred in the past eight months in which the Board of Directors has been projected into a new role -- that of reviewing apparent violations to the GUIDELINES when they are brought to the attention of the Board, either formally or informally. To recapitulate all of the irregularities reported and reviewed would take more time than is available. However, it would appear appropriate that two or three typical irregularities should be reviewed in order to point out this newly-developing responsibility of the CPC Board of Directors.

First, let's discuss an alleged Owner violation. In this instance, an Owner let a contract to a general contractor who was the low bidder and who failed to sign the formal bid document itself. The contention of the Owner and of the Contractor with the low bid was that it had been the Contractor's intention to sign and, therefore, it was a legal document. However, the Contracting Group as a whole were in protest, for if the low bidder had truly wanted to get out of the contract, he could have done so because, without being signed, the document was not truly a legal and binding document. In a full review of this case, the Board of Directors put out a statement recommending the procedure that all Owners and their Architects should follow in opening bids. This statement is given in detail in Appendix E.

Another instance which is still unresolved concerns a feeling among several general contractors that, by requiring the listing of too many sub-contractors, the Owner and Architect are binding him to a construction team that may not be the best team he could pull together to do the best job. The Board's answer to this is that perhaps a little more work on the GUIDELINES should be done so that under certain circumstances where the general contractor can offer substantial proof that a sub-contractor he had listed at the bid opening is not, in fact, solvent or capable of finally doing the job, the general contractor should be permitted to nominate a substitute sub-contractor without fear of litigation.

Still another problem that has been brought to the Board's attention is the apparent duplication of the work of the CPC Specifications Committee with the very excellent and thorough work being done by the Construction Specifications Institute. It is the writer's feeling that there is enough work for everyone without allowing or permitting any duplication whatsoever. Therefore, it is likely that the Board of Directors will take some action in the near future to confine the CPC Specifications Committee to those problems which are peculiar to CPC, and determine which, through proper channels, should be brought to CSI's attention. It is interesting to note that several members of CSI are also members of the CPC, and, therefore, communication should not be at all difficult for full coordination of their respective activities.

11) A Look at the Future

It is apparent that, from reviewing the constructive criticisms of CPC received to date, several members felt that progress to more ethical practices and procedures should be accomplished at a more rapid rate. This is a complicated endeavor involving human behavior at a most critical period in a necessary business transaction. To say that the present status quo cannot be improved is as wrong as to say that it should be improved at a faster rate than we are presently able to accomplish. The main ingredient is for people to continue to make suggestions, participate within their group and, if elected as a representative to CPC from their own group, to fully represent that group and help in any way that is possible in order to accomplish the aims and goals of CPC. If some of our problems seem to be slow in developing appropriate solutions, at least the communication is one good ingredient to the endeavor that is achieved.

If the reader could visualize a ladder stretching from the ground, say, to the second floor of a large building, it would appear that in our CPC endeavor to date, we have just stepped up on the first rung.

12) Recommendations to Other Areas Considering a CPC Operation

Many individuals have advised the writer that, whereas it was easy for CPC of New Mexico to get together due to our low population, it would be impossible to make a similar effort in a more thickly populated area in an environment with significantly more construction. There is probably some merit in this statement. However, just because an operation is difficult, if its objectives are honorable and ethical and clear, it is no sign that the endeavor should not be attempted.

In retrospect, if there is anything that I would suggest changing about CPC of New Mexico, Inc., it would be that, instead of our very meager "penny ante" operation, we should have made larger monetary contributions from each group to enable a well-qualified manager to work on the operation at least half-time. This is not saying that universities and colleges, and other similar organizations, that are so motivated, should not lead off in a new endeavor in their areas. This group is obviously the leader to assist in starting the complicated and unique "fraternity" we have effected in New Mexico.

There is nothing man-made that is perfect, especially in the starting of an endeavor; witness the Constitution of the United States which now has twenty-five amendments in the 192 years that it has been in existence. Or, have you ever seen an organization that was doing anything that didn't realize changes were needed in order to make it work more effectively? In fact, have you ever seen a person, organization, or corporation that could progress by standing still? If you have an active, vigorous organization, it must be capable of changing to fit the need; however, always keeping its basic goals in mind.

SUMMARY

It is the writer's considered opinion that a majority of individuals and organizations that have been properly exposed to the aims and goals and the efforts of CPC of New Mexico today, cannot help but realize the organization has been active and effective to the limit that its By-Laws permit, and to the limit

that the mores and habits of the industry, good and bad, have permitted it to be; and, no matter what other benefit has been acquired, there is no doubt in the minds of the Owners Group of the CPC of New Mexico, that a concerted effort by all parties to a contract can greatly improve the contractual relations in many, many ways.

It has been pointed out to the Owners Group that, with our complicated buildings, the Owner is required to more thoroughly prepare itself before the Architect is employed. If the Owner is a university or college, it should, for instance, have: an academic plan; a master plan; a building committee for the specific building in mind; a complete, formally-prepared building program; and, finally, a reasonable and a realistic budget -- a means of properly financing the proposed structure. Then the Architect and his team of consultants should be selected.

Because our buildings today are much more complicated than they were ten years ago, it is conceivable that more thorough "homework" by the Owner can allow the Architect to devote more time to the design and to fitting the building to the needs of the Owner; and if, in order to make a better fit, more time should be spent by the Architect and his consultants, then perhaps a higher fee for this professional service is in order. And, let me not overlook the fact that such a building may cost the Owner way less in the long run for, with a good, concise and well-executed set of plans and specifications, a better bidding climate will probably result. This, then, should encourage good "contracting teams" to compete for the job -- which, in turn, should provide better workmanship, with the final net result that the Owner gets a better building for his money -- one that fits his needs, and has a lower maintenance and utility-consumption cost for the probable 30-50 years the building should serve him.

I think the reader will readily see that there is a thread of continuity through all of CPC where the Owner, the organization putting out the money for a project, has obviously neglected in many instances, some of his prime responsibilities. This has meant that the Architect or Engineer has had to endeavor to discern what was really wanted, and to translate these thoughts and impressions into plans and specifications. Many times the Architect has been unfairly blamed for trying to fill a vacuum or void created by the Owner himself. Thus, there

is no doubt that the group that has been helped the most in CPC is the Owners Group.

But, the other parties to the contract in CPC have also been helped. All contractors deserve to know exactly what they are to furnish, and how it is to be delivered, installed, and made fully workable. They should be compatible to each other; they deserve reasonable profit without the threat or specter of bankruptcy; and they all deserve to be paid on time. When a project is complete, they should be able to look at it with pride, with full knowledge that they helped build something that will last, that will work, and that will serve.

History is replete with instances in which the cooperation of many people developed a better way of life for a society. Any time a society said they had reached the ultimate and could not improve, history has shown that from that date forward, if that was the general feeling of the majority of a society in question, that society was doomed. We are a relatively young nation. See Appendix F for a list of some of the great nations of the world, and how long they lasted. There are a good many signs of decay within the American nation, and one of these is the complacency or neglect that we exhibit in attacking some of the problems that could be solved if we truly wanted to solve them.

It is the writer's sincere hope that every single person who has heard this presentation, or read this paper, will leave with a feeling of personal responsibility towards doing his best to improve the relationships so essential to a good contract, and by so doing, secure the best possible buildings for his institution or organization.

Of the many quotations that could be used to close our presentation, we like two old stand-bys because they fit so well the CPC of New Mexico endeavor. One is an ancient proverb, and one is from the Bible: The ancient proberb first:

"The strength of a chain is its weakest link."

The quotation from the Bible, Matthew 7:12:

"Do unto others as you would have them do unto you."

better plans and specs

bid shopping

bid depository

1966 C PC STUDY COMMITTEE PARTICIPANTS

new mexico plan

prequalification

hold harmless

APPENDIX A.

BY-LAWS

OF

CONSTRUCTION PRACTICES

COUNCIL OF NEW MEXICO, INC.

ARTICLE I

Name and Objects

Section 1. Name. The name of the Corporation shall be the "Construction Practices Council of New Mexico, Inc."

Section 2. Objects. The objects of this Corporation shall be: (a) to provide an organization through which may be directed the cooperative and voluntary efforts of those engaged in or otherwise concerned with the construction industry; (b) to advance the common legitimate business and professional interests of those engaged in the construction industry; (c) to promote by cooperative and voluntary effort and means better business conditions and methods and higher business and professional standards and ethics; (d) to make membership in the Corporation reasonable assurance to the public of the skill, integrity and responsibility of the members; (e) to promote cordial and harmonious relationships between the several interests involved in and served by the construction industry; (f) and to do all of the foregoing to the best interests of both the construction public or the owners and those engaged in the construction industry.

ARTICLE II

Membership

Section 1. Membership. There shall be but one class of membership, namely, group membership, and wherever the word member is used herein it shall mean a group member of this Corporation.

Section 2. Qualifications. Any association, league or group (formal or informal) which is interested in or associated with the New Mexico construction industry, whose objectives are compatible with those of the Corporation and whose qualifications are approved by the Board of Directors, shall be admitted to membership. Each member shall be classified in one of the following industry classifications: Owners; architects; consulting engineers; general contractors; mechanical and electrical contractors; specialty sub-contractors; suppliers.

Section 3. Member Representation. Each member of the Corporation shall empower in writing an individual to serve as its official representative at all Corporation membership meetings. Said individual may be given the power of substitution, which may be exercised only by further written designation by said individual.

ARTICLE III

Cooperating Agencies

Owners precluded from membership participation because of statute or government regulation, rule or policy may be invited to participate in the deliberations and activities of the Council as cooperating agencies. Such cooperating agencies shall have none of the obligations of membership.

ARTICLE IV

Meetings

Section 1. Annual Meeting. The annual meeting of the Corporation membership shall be held on the last Friday in March at an hour and place designated by the Board of Directors. Notice of said meeting shall be mailed to each member ten days in advance thereof at the last address shown in the official books and records of the Corporation.

Section 2. Special Meetings. Special meetings of the membership may be held at such times and places as the Board of Directors may designate and shall be held on the written request of at least three members. The Secretary of the Corporation shall give each member written notice five days prior to such meeting, stating the day, hour and place designated therefor, and the business to be transacted thereat.

Section 3. Quorum. A majority of the members representing a majority of the seven industry classifications shall constitute a quorum. All questions shall be decided by majority vote of the seven industry classifications.

Section 4. Voting. Each industry classification shall be entitled to one vote on questions coming before the membership. Within its own industry classification, each member shall be entitled to whatever vote has been assigned to it by the Board of Directors, with the majority vote of those present determining the vote of the classification. All voting shall be in person and not by proxy. All membership meetings shall be open to all firms and individuals associated with members of the Corporation.

ARTICLE V

Membership Dues

The Board of Directors may establish and change the dues for membership in such amounts as in their discretion shall be necessary to operate the Corporation in the best interests of the membership.

ARTICLE VI

Board of Directors

Section 1. Number. The Board of Directors shall consist of seven (7) individuals, and the incorporators shall serve as Directors until their successors are designated. The number of directors may be changed from time to time in the manner required for amending these By-Laws.

Section 2. Designation, Term of Office. Each of the following seven industry classifications shall designate one person from its branch of the industry to serve on the Board of Directors for such term and by such method of selection as may be determined by the industry classification:

1. Owners
2. Architects
3. Consulting Engineers
4. General Contractors
5. Mechanical and Electrical Contractors
6. Specialty Subcontractors
7. Suppliers

Each industry classification, upon designating or removing a Director, shall give written certification of such action to the Board. If the particular industry classification has more than one member in the Corporation, all members must certify to such action; in the absence of such unanimous certification in the case of designation of a Director, the remaining members of the Board of Directors may designate the person to represent said industry classification on the Board of Directors and his term by majority vote of the full remaining Board.

Section 3. Vacancies. If any vacancy shall occur among the Directors by death, resignation, or otherwise, the vacancy may be temporarily filled by majority vote of the full remaining Board, pending designation of a permanent replacement on the Board by the affected industry classification as provided for in Sec. 2 hereinabove.

Section 4. Meetings and Quorum. Five days' written notice of meetings shall be forwarded to the Directors by the Secretary. Six Directors shall constitute a quorum, and the affirmative votes of at least five Directors shall be required on all Board actions except as otherwise specifically provided herein.

Section 5. The Board of Directors shall have the following powers and authority:

(a) To control and manage the affairs of the Corporation, and to exercise all necessary incidental powers for the carrying out of all of the objects, purposes, and intentions of the Corporation:

(b) To make and alter the By-Laws of the Corporation, subject to approval of a majority of the industry classifications of the Corporation:

(c) To acquire, hold, dispose of, and convey all real property which may be acquired by purchase, donation, or otherwise in carrying out the objects, purposes, and intentions of the Corporation.

ARTICLE VII

Officers

Section 1. The officers of the Corporation shall be a Chairman, Vice-Chairman, Secretary and Treasurer, each of whom shall be elected by and from the Directors of the Corporation. They shall be elected by majority vote of the full Board and shall hold office (providing they remain a member of the Board) for one

year from the date of the annual meeting and until their successors have been elected and shall have qualified. The Board of Directors may appoint or employ temporary officers and such other officials and agents as the proper conduct of the Corporation's business may require.

Section 2. Powers and Duties of the Chairman. The Chairman shall be the chief executive officer of the Corporation. He shall preside at all meetings of the membership and the Board of Directors and shall have general supervision of the business of the Corporation. He shall do and perform such other duties as may from time to time be assigned to him by the Board of Directors.

Section 3. Powers and Duties of the Vice-Chairman. In the absence of the Chairman, all duties and powers of the Chairman shall devolve upon the Vice-Chairman.

Section 4. Powers and Duties of the Secretary. The Secretary shall make and keep complete records of the proceedings of membership and Directors' meetings, all of which it shall be his duty to attend. He shall prepare and serve notices of meetings and shall perform the duties generally incident to such office and such other duties as may be required of him by the Board of Directors.

Section 5. Powers and Duties of the Treasurer. The Treasurer shall have custody of all funds and securities of the Corporation, and shall deposit, handle, and dispose of the same in the manner prescribed by these By-Laws or as directed by the Board of Directors from time to time.

ARTICLE VIII

Corporate Seal

The Board of Directors shall provide an appropriate seal, bearing the name of the Corporation, which shall be the corporate seal. It shall be in the custody of the Secretary and shall be affixed to documents as authorized by the Board of Directors.

ARTICLE IX

Amendments

The Board of Directors may adopt additional By-Laws or amend the By-Laws at any meeting, subject to approval of a majority of the industry classifications of the Corporation.

The foregoing By-Laws were adopted at the first and organizational meeting of the incorporators and Directors, held on the 6th day of January, 1967.

Witness the hands and seals of the undersigned incorporators and Directors.

(Signed) Marvin Downer
Representing the General Contractors

(Signed) Joe Boehning
Representing the Architects

(Signed) Frank Bridgers
Representing the Consulting Engineers

(Signed) Lloyd Sallee
Representing the Suppliers

(Signed) W. D. Ross
Representing the Mechanical and Electrical Sub-Contractors

(Signed) Carlton Cook
Representing the Specialty Sub-Contractors

(Signed) M. F. Fifield
Representing the Owners

State of New Mexico

Certificate of Filing

United States of America
State of New Mexico } ss.

It Is Hereby Certified, *that there was filed for record in the office of the State Corporation Commission of the State of New Mexico on the* ----------10th----------
------- *day of* ----------January, 1967----------

CERTIFICATE OF INCORPORATION

OF

CONSTRUCTION PRACTICES COUNCIL OF NEW MEXICO, INC.

(57,708)

In Testimony Whereof, the State Corporation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to be affixed at the City of Santa Fe on this----------10th----------
day of -------January, 1967--------

Attest: Albert P. Benavides
ALBERT P. BENAVIDES, Acting *Clerk*

Columbus Ferguson
COLUMBUS FERGUSON, *Chairman*

APPENDIX C.

Estimated Cost For

NEW CONSTRUCTION, REHABILITATION, AND CAMPUS IMPROVEMENT IN U.S.

Fall 1965 to Fall 1970

Facilities category	Total		Public[1]		Private	
	Amount (in thousands)	Per-cent	Amount (in thousands)	Per-cent	Amount (in thousands)	Per-cent
All categories	$16,995,377	100.0	$11,532,229	100.0	$5,463,148	100.0
Instructional	8,799,351	51.8	6,107,178	53.0	2,692,173	49.3
Research	1,634,884	9.6	1,008,580	8.8	626,304	11.5
General	1,269,565	7.5	853,316	7.4	416,249	7.6
Auxiliary	1,014,154	6.0	672,888	5.8	341,266	6.2
Residential	3,472,532	20.4	2,200,509	19.1	1,272,023	23.3
Campus improvement	737,770	4.3	627,196	5.4	110,574	2.0
Not reported	67,121	0.4	62,562	0.5	4,559	0.1

[1] Exclusive of U.S. Service Schools.

Recommended Bid Opening Procedure motion passed unanimously by Board of Directors, Construction Practices Council of New Mexico, Inc., on October 25, 1967:

"That the Board of Directors of CPC strongly recommend that Owners or their agents use the following procedure for opening bids:

1. Name the bidder.
2. Check for bid bond, if required.
3. Check for acknowledgment of addendums.
4. Check for proper signature on bid form.
5. Check other requirements of the bid form.
6. If any of the above requirements are not included, the bid must be considered non-responsive and returned to the bidder without the amount of the bid being read."

LONGEVITY of GREAT EMPIRES

	FROM	TO	YEARS
GREECE —	2000 BC	431 BC	1,569
EGYPT			
1ST DYN.—	3400 BC	2000 BC	1,400
2ND DYN.—	1300 BC	672 BC	628
BABYLON			
1ST DYN.—	2000 BC	800 BC	1,200
2ND DYN.—	625 BC	538 BC	87
ROME —	600 BC	410 AD	1,010
OTTOMAN-	1299 AD	1814 AD	515
GREAT BRIT.-	1583 AD	—	IN 385TH
U.S.A.—	1776 AD	—	IN 192ND

APPENDIX F.